# "Hard to Go Wrong in Real Estate at Present Prices"

#### Joseph F. Cullman, Tobacco Mer- their own occupancy which will be per- adaptable to their needs. Therefore it is a business necessity with them that of several projects that are awaiting "The coming of big business necessity with them that of several projects that are awaiting their own occupancy which will be per- adaptable to their needs. Therefore it is a business necessity with them that of several projects that are awaiting the coming of big business necessity with them that of several projects that are awaiting the coming of big business necessity with them that of several projects that are awaiting the coming of big business necessity with them that of several projects that are awaiting the coming of big business necessity with them that of several projects that are awaiting the coming of big business necessity with them that of several projects that are awaiting the coming of big business necessity with them that of several projects that are awaiting the coming of big business necessity with them that of several projects that are awaiting the coming of big business necessity with them that of several projects that are awaiting the coming of big business necessity with them that of several projects that are awaiting the coming of big business necessity with them that of several projects that are awaiting the coming of chant and Realty Investor, Confident of Big Advance

Joseph F. Cullman, who has been making sensational purchases of have bought because the location is the last few years," Mr. Cullman con-rious by the disturbin of a number of concerns, to buy their premises to assure a location is the downtown district, all of which he purchases. property in the old shipping district and in the Wall Street zone for several years, at the start to the great astonishment of some wiseacres, is most optimistic regarding the future of real estate. During the darkest Evidences of One Man's Faith in Real Estate days Mr. Cullman bought, and large properties, too, in a section which had been dead, in the literal sense, for several decades. First, last and always, Mr. Cullman is a great believer in the business integrity of the city and the nation, and with such thoughts in mind he could not think but well of the value of New York real estate. He says one cannot go very far wrong in investing in property in New York City, because it always comes back.

Real estate has two tdies, an ebboand a flow, and what goes out always pur purchased about thirty parcels in husiness sections. The situation dawn- ture, he maintains. town makes for higher values and Mr. "Before I entered the field of real There is everything to indicate that nuch different one. It will be the home of the largest business concerns in the country. The structural appear-particularly business whose market is to impossible to buy or get business ties on one side, the district has on the

of the speculator in real estate for so long a time. Contrary to a belief in real estate Mr. Cullman is not a prothe Sumatra field. His name is known His business is tobacco and his hobby

t was not until about four years ago, ciated. however, that he became a recognized "I base my opinion regarding the

Values are returning that time. Some of them he resold now, Mr. Cullmn said. This is no- but most of them he has retained and ticeable in various parts of the city. Will hold for investment because the it is particularly noticeable in the day for the old district is in the fu-

Cullman is of the opinion that present estate as investor," Mr. Cullman said price demands weill never be lower. yesterday, "I gave the situation confee and space values will move up and the more I was convinced that the shipsiderable study. The more I studied up, and anyone who is contemplating ping district held an unusual position nyestment, should not tarry long. Ten which seemed to have escaped the atvears will find the old district a very tention of the investing and speculating

"It is the logical ground for business the entire world. With shipping facili other international banking institutions, Mr. Cullman said that he had great marine insurance companies and watched the district for years and it the Customs House. It seems to me always will be a mystery to him why that the district was especially preits possibilities escaped the attentian pared for the shipper, the big business concern, interested in foreign as well

fessional real estate man. He is an of large concerns with foreign trade The establishment there of a number importer of tobacco and the leader in connections during the last few years in every tobacco market of the World. supports the conclusion Mr. Cullman reached when he set out to test his opinion of the district by investing Mr. Cullman made his first real es- there, banking on the day when the tate purchase about twenty years ago. business environment would be appre-

figure in the downtown real estate future of the district," Mr. Cullman market. To him is given the credit said, "on the limited waterfrontage and for the revival of real estate ther. His small amount of property in what may activities in the lower city, it has been be called the shipping district. I besaid, encouraged investment in other lieve that every foot of this vicinity sections. There is no doubt about the will be utilized by large concerns, imclaim that he was responsible for the porters and exporters. The time will Come Back of the old shipping section. come when it will be impossible to pur-In the four years he has ben buying chase locations here because there will there he has acquired about \$5,000,000 be none to purchase. Those coming worth of property. Mr. Cullman has into the section now are buying for

"I know of five concerns which have plans for important structural developments of a nature which stamps as ner."

they remain. You cannot tempt them with a profit. This is a condition which of them are enormous projects, he said. Will be found as far west as William "In the next ten years the entire from the Forty-second Street district."

cerns. The sugar, coffee, chemical and "If it had not been for the war, Maiden Lane and Liberty streets block value of premises has increased from exporting and importing concerns who which stopped building and made con- by the Federal Reserve Bank, as a site 33 to 50 per cent. The question is, have purchased property here are not structive costs prohibitive there would for a banking building means that the Where is business going to go? The have purchased property here are not structive costs promistive there would for a banking building means that the planning to resell at a profit. No, they have been much building downtown in space situation will be made more separately be situation has been brought forcibly to which found that it was good business quired up to date about thirty profits the attention of a number of concerns.

is a business necessity with them that of several projects that are awaiting

BURLING SLIPROW BOUGHT AND ALTERED BY MR. CULLMAN INTO ATTRACTIVE BUSINESS PREMISES.

section will be reconstructed. The ac- forced many to relocate. The renting quisition of the Nassau, William, rates reflect the situation well. The

### The coming of big business into Bought When Nobody Wanted To Be an Owner and Helped Turn Ebbing Market

Mr. Cullman when he recalls that it est of these purchases was the twen was only a few years ago that Water, story building at 42 Broadway, extend Front, Pearl, South, Burling Slip and ing through the block to New Str other streets in that section had no It is one of the largest office building place in the buying market. No one in the financial district, and seve wanted property there. This condition years ago figured in a deal at \$7,500 might be attributed to the fact that 000. Mr. Cullman resold the propert a lot of property there was held by folks who had no particular interest money. But he was not talking about for the old district. "They were what profits yesterday, except in a gener I would call obstructionists," Mr. Cull- way. It is a known fact that he h man said, "because they would not sell not bought a parcel in the downto nor rent nor build. Other sections section that he could not have res pushed ahead while this section stood almost immediately and at an advanstill. In standing still it lost value. The trading in the Marine Squa I have bought property here for much section attracted his attention and less than it sold for say fifty years bought recently the southwest corr ago. Even present day prices are in of Beaver and Hanover streets. A fe some instances below the prices of half days after he had made the purchase century ago. Nowhere are prices he was offered a prefit for the corner much above those of the days when He has been offered several sine the section was the centre of large They were sufficiently large to tem American merchant marine firms which one to sell, but Mr. Cullman thinks h sent the flag in every part of the will hold the corner, improve it for

"Business interests are coming to true, realize this. It will be noticed that in He has similar plans for all his ho the last fifteen months the sugar and ings. He will make improvements, h coffee interests have been consistent says, if a tenant desires, or a tenant buyers. Properties have been bought can make his own improvement. H and sold several times in a few months said that he stood for progress and each time at an advance."

This is going to stop eventually, Mr. Mr. Cullman has altered sever Cullman said. The possibilities of buildings in the old district wit speculation for the real estate profes- charming result. He bought severa sional are reduced every time a prop- on the south side of Burling Slip, near erty comes into the hands of a busi- South Street, which had stood there for ness concern because that marks the many years. One of them had been end of the speculative career of the the home of the China and Japan parcel. It is the home of the buyer Trading Company for seventy year and will continue to be so, so long as Mr. Cullman altered the buildings, pre the banking centre, and the insurance serving the old lines. Built in Coloni centre, and the Custom House remain days they are Colonial in style, so Mr

ullman went on. "I do not care what They are to-day among the few bright ou buy or what you pay for it to-day, spots in the district, their cheerfu ou will be getting it cheap. Scarcity Colonial faces being accentuated by the property and business premises are gloomy appearance of buildings in the

"The value of the old district was always clear to me as daylight. I think a lot of folks were asleep or else they had no confidence in the wonperful business expansion of the city letter. letter. It is only one story night, as a result of the war. They could cullman said that there is psycholog in good business premises. He sai that he is certain that the efficient of his organization would not be s Mr. Cullman said that he had ac phere,

which he purchased through the The changed condition is amusing to | Charles F. Noyes Company. The large

"Values are bound to increase," Mr. ages removed from the structures

will do nothing to hamper business

### Says Tenant Must Bear New **Burdens of Apartment Owners**

Not "Profiteering" Agent Explains; Increased Rentals Do Not Offset Larger Expenses; Tenant Now Taking His Own Medicine

necessity for the increased rental which they are being charged from next October for renewals of their

these tenants recognize the justice of this increase, but there are a few dissatisfied ones who attribute it to so called "profiteering" by the landlord. Without stopping to think very deeply about the matter, they assume that the landlords are grasping and rapacious, and because there is no building of new apartments, that they are taking advantage of the situation.

Of course, the lack of new buildings and the consequent temporary excess of demand over supply is a contribut ing cause of high rents. This is simply the working out of a natural law and when conditions become more normal

serious field retails. The straight from the field when being from the first straight from the first s

By Douglas L. Elliman
It seems only fair to the tenants in high class apartments on the East Side to explain to them more fully the

important to disprove the theory of profiteering, we would cite a few examples of the operating results in 1918 of properties in our charge:

Operating expenses increased	
Total increase of charges	\$5,347.3 \$1,387.4
Decrease in owner's income	\$3,959.8
Prominent Park Avenue Bui	lding
Operating expenses increased	
Total increase of charges	\$5,786,0 \$1,436.0
Decrease in owner's income	\$4,350.6
New nine-story apartment l just off Park Avenue	house

## PROPERTIES IN LOWER CITY BOUGHT BY MR. CULLMAN DURING LAST FIVE YEARS, MOST OF THEM HE STILL HOLDS. Just and Efficient Tax System Aim of Realty Men

VENEZUELA BUILDING ON FRONT STREET ONE OF MR. CULLMAN'S PURCHASES.

Ann of the special property of

IKE "hitching a mouse to a rollor" is the attempt to operate modern democratic government the remnants of the general proptax which survive for state and purposes in New York.

Many Proposals Which Sound Well in Practice Would Hamper City and Would Place Unequal Burden

would Place Unequal Burden

City which go into a general fund, the balance is levied against property (mostly realty) and of the total levy it appears that the above mentioned allowance from realty incomes should cover about 60 per cent and leave the balance to be derived from other taxable incomes in the community.

#### Architects Ready to Help Government Start Building